

## Grant Administration During a State of Emergency

Our office has received many questions about state executive branch granting agency's responsibilities for external grant administration under [Minn. Stat. §16B.97](#) and [Minn. Stat. §16B.98](#) and the corresponding state grant policy framework during the state of emergency declared by the Governor on March 13, 2020.

The Office of Grants Management has developed the following Question and Answer/Guidance Document for executive branch granting agencies on how to best meet the requirements of the law. Although this is a challenging situation, it presents an opportunity for executive branch granting agencies to review procedures for external grant administration to identify gaps and areas for improvement. The Office of Grants Management is here to assist you and provide technical assistance for effective state grant policy implementation.

Please do not hesitate to contact our office by email at [naomi.munzner@state.mn.us](mailto:naomi.munzner@state.mn.us) or by phone at 651-201- 2569.

### Question & Answer/Guidance by Topic Within the Grant Life Cycle

#### Pre-Award:

##### Question 1:

How can a granting agency approach their practice of unpublished Grant Request For Proposals? Can an agency change their internal practices to keep on track?

##### Answer:

- Agencies can adjust timelines for posting Grant Request for Proposals in the best way that meets the appropriation availability and their internal staffing capacity during this time.
- The existing flexibility within [Policy 08-02](#) and [Policy 08-03](#) allows freedom and autonomy for agencies to change their internal practices. Agencies should document those process changes.
- **Tips:** Agencies can revise unpublished RFP's to accommodate executive orders in place, schedule virtual grant review meetings, etc.,

**Question 2:**

How can a granting agency approach having a remote/virtual meeting for a grant review – i.e. reviewing and sharing scoresheets, when there is low bandwidth?

**Answer:**

- Grant reviewers can submit scores via email in advance of meeting to agency's central point of contact for coordinating grant review process. [Policy 08-03](#) provides that flexibility and option.

**Related question 3:**

How can a body comply with the open meeting law when the meeting is conducted virtually?

**Answer:**

- Please reference the Data Practices Office website with resources and strategies: <https://mn.gov/admin/data-practices/>

**Question 4:**

Can an agency extend the deadline of when grant applications are due with an actively posted Grant Request for Proposal?

**Answer:**

- Yes. [Policy 08-03](#) provides that flexibility and option. The granting agency should update their electronic posting and provide notice to all their stakeholders.

## **Active Grant:**

**Question 5:**

Can an agency internally process grant payments with internal agency staff using electronic signatures?

**Answer:**

- Agencies can utilize their internal processes to facilitate this. [Chapter 325L](#) allows electronic signatures.

**Question 6:**

Can an agency extend the end dates of grant contract agreements through an amendment process where the end dates are set in the appropriation rider/ appropriation law?

**Answer:**

- It depends. First, the agency should work with their finance and accounting teams to verify the appropriation availability and confirm that grant end date is consistent with what the appropriation allows.

**Answer to Question 6 continued:**

- If the appropriation availability and the requested grant agreement end date are consistent, then yes. [Policy 08-12](#) provides the minimum requirements for agencies to follow.
- **Tips:**
  - Agencies must first verify the grant specific appropriation availability.
  - Then, granting agencies can reference [Minn. Stat. §16B.98 Subd. 7](#) that allow encumbrances for grants issued by June 30 to be certified for a period of one year beyond the year in which the funds were originally appropriated as provided by [Minn. Stat. §16A.28, subdivision 6](#).
  - Granting agencies should confirm that the grant appropriation language does not explicitly restrict or conflict with [Minn. Stat. §16B.98 Subd. 7](#)

**Question 7:**

Can an agency extend the end dates of grant contract agreements through an amendment process where the end dates are not set in the appropriation rider/ appropriation law?

**Answer:**

Yes. [Policy 08-12](#) provides the minimum requirements for agencies to follow.

**Question 8:**

Can an agency extend and amend a grant if the grantee has to temporarily stop providing services due to COVID- 19?

**Answer:**

- It depends. First, the agency should work with their finance and accounting teams to verify the appropriation availability and confirm that grant end date is consistent with what the appropriation allows.
- If the appropriation availability and the requested grant agreement end date are consistent, then agencies can take the next step of reviewing their authorizing legislation and grant appropriation(s) to ensure nothing restricts them from taking next steps to amend given the current state of emergency.
- Once the granting agency has verified the above two bullets, then they can follow [Policy 08-12](#).
- Follow the tips referenced in the answer to Question 6.

**Question 9:**

The grant program I administer has additional requirements – i.e. documentation grantees must submit - for grant reimbursement requests. These additional requirements were added based on our agency's pre-grant award risk assessment process. Can we waive documentation for payment requests given cash flow issues?

**Answer to question 9**

- Yes, within the bounds of the grant authorizing statute(s) and appropriation(s). Agencies have the discretion to amend their internal program policies.
- In circumstances where the granting agency has added additional requirements for the grant payment process that exceed the minimum requirements in [Policy 08-08](#), agencies have the flexibility to make those changes.
- **Tips:**
  - When agencies choose to make changes to grant payment terms and conditions, refer to the grant contract agreement to see if it requires an amendment.
    - If the grant contract agreement/conditions of payment section is silent on specifics, a formal grant amendment is not required per existing [Policy 08-12](#)
    - If the grant contract agreement/conditions of payment section references requirements and the state agency chooses to change that based on circumstances, it's advised that the granting agency amend the grant per [Policy 08-12](#).
  - Remember to document rationale and risk assessment.
    - Be thoughtful and utilize an **equity lens** for decision-making. i.e. How are you approaching the impacts on the grantee organization and the grant outcomes for communities of color, the LGBTQ community, the American Indian community, the disability community, and the veteran's community

**Question 10:**

Can a granting agency amend work plans and budgets to re-set goals for grantees that can't complete work?

**Answer:**

- Yes, within the bounds of the grant authorizing statute(s) and appropriation(s). This is consistent with OGM broad guidance provided on 3/13/20:
  - State granting agencies have discretion on how best to support grantees and grant outcomes in as flexible a way as possible given the situation:
    - [Policy 08-08](#) points to the option state agencies have in providing written pre-approval to grantees for late reporting option(s) to payment is not delayed
    - [Policy 08-12](#) points to options state agencies can take with respect to changes with work plans and budgets
    - State agency authorized representatives can be thoughtful on how to support grantees with alternative strategies for meeting grant outcomes
  - Be thoughtful and utilize an **equity lens** for decision-making. i.e. How are you approaching the impacts on the grantee organization and the grant outcomes for communities of color, the LGBTQI community, the American Indian community, the disability community, and the veteran's community?

**Question 11:**

To what extent can a granting agency pay for COVID-19 response activities with Environmental and Natural Resources Trust Funds?

**Answer:**

- The granting agency, per [Minn. Stat. §16B.98 Subd. 6](#), can review existing guidance and the individual grant appropriation(s) and authorizing legislation for how to approach analysis and approving eligible expenditures with existing grant contract agreements.
- **Tips:**
  - These existing guidance documents provide frameworks and options for allocating costs tied to COVID-19 response activities that are direct and necessary for grantees and grant-funded projects:
    - [MMB Guidance to Agencies on Legacy Fund Expenditures](#)
    - [Legislative Guide: Principles for Use and Expected Outcomes of Funds From Dedicated Sales Taxes Adopted March 24, 2010](#)

**Question 12:**

How can a granting agency approach flexibility with the timing of approved work plan outcomes in a grant contract agreement when a grantee was to attend/travel to an event that has been cancelled due to COVID-19?

**Answer:**

- See response to Question 10.

**Question 13:**

How can an agency approach the situation of responding to grantee questions re: eligibility of grant funds in existing executed grant contract agreements and if those funds can be used to pay for staff who cannot work due to the grantee organization's following MDH, CDC and current Executive Orders in place by Governor's office?

**Answer:**

- Agencies and their corresponding grant authorized representatives are empowered to make this decision on a case-by-case basis with their grantees per [Minn. Stat. §16B.98 Subd. 6](#).
- Tips and suggested steps for agencies to follow to assist with decision-making:
  - **Step 1:** Research grant funding appropriation:
    - Review guidance from the Federal OMB office if the grants are federally funded.
    - Review state grant appropriation. If the appropriation is silent, the granting agency can move forward with next steps on how to exercise flexibility with the grantee on staffing decisions, patterns, and eligible grant expenditures.

**Answer to Question 13 continued:**

- **Step 2:** Reference existing fully executed grant contract agreement, work plan, and budget.
  - Review work plan:
    - Utilize full flexibility when working with the grantee(s) to revise grant outcomes, timelines, etc. Collaborate with the grantee on solution-based methods for delivering grant outcomes in ways that utilize virtual options and other innovative methods that follow MDH recommendations on social and physical distancing, etc.
  - Review budget:
    - Review budget salary detail to understand which positions (FTE's) the grant supports.
- **Step 3:** The granting agency can choose to follow-up with the grantee on these internal controls and business processes:
  - If the grantee has written policies and procedures on PTO and PTO is currently allocated to positions the grant currently supports, this can be considered an eligible expenditure – i.e. PTO for staff that are impacted by Covid-19.
  - For grantees that do not have written policies and procedures on PTO and if PTO is not currently allocated to positions the grant currently supports, agencies can choose to point grantees to alternative resources.

**Question 14:**

How can an agency choose to implement monitoring visits that [Policy 08-10: Grant Monitoring](#) requires during this time?

**Answer:**

- OGM recommends all state granting agencies implement monitoring visits using the phone call/virtual meeting platform which the policy references.

## Resource Page

- [Minnesota Department of Health](#)
- [CDC guidelines](#)
- [State Resources for Covid 19](#)
- [Unemployment Assistance Q and A](#)
- [Propel Nonprofits](#)
- [Minnesota Council of Nonprofits](#)